



October 21, 2005

Mary L. Cottrell, Secretary
Massachusetts Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

**RE: Low Income Discount Participation Rate
D.T.E. 01-106-C/D.T.E. 05-55/D.T.E. 05-56
Compliance Tariff Filing**

Dear Secretary Cottrell:

In compliance with the above referenced order, Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil") hereby submits the following tariffs for effect November 1, 2005:

Gas Division
M.D.T.E. No. 120

Electric Division
M.D.T.E. No. 128

These tariffs establish reconciliation adjustment mechanisms for Unitil's Gas and Electric Divisions consistent with the Department's order. Specifically, the tariffs set forth the mechanism for calculating the Residential Assistance Adjustment Factor ("RAAF"). The purpose of the RAAF is to collect any amount of low-income discount on or after July 1, 2005 in excess of the baseline amount. The RAAF is calculated on a prospective basis. Any subsequent over- or under recovery will be reconciled in the following year. The Gas Division's reconciliation will occur with its peak/winter Local Distribution Adjustment Clause ("LDAC") filings and the Electric Division's reconciliation will occur with its annual transition charge reconciliation filings. Over- or under-recoveries will accrue interest at the prime rate consistent with Department regulations. The tariff establishes a baseline amount of low-income discount that is collected through base rates for the twelve months ending June 30, 2005.¹

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¹ For the Gas Division, the baseline is calculated based on weather normalized data. As part of its sales forecasting process, Unitil routinely performs calculations in order to restate gas usage on a weather normalized basis. Unitil conducts a linear regression of actual usage versus actual heating degree days to determine coefficients which can then be applied against normal degree days to establish weather normalized usage. Unitil used this same analysis in establishing its baseline.

Mary L. Cottrell, Secretary
DTE 01-106-C
October 21, 2005
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Also attached are schedules supporting Unitil's proposed RAAF for its Gas and Electric Divisions. Consistent with the reconciliation dates above and as indicated in its tariff, Unitil proposes that its RAAF become effective on November 1, 2005 for its Gas Division and on January 1, 2005 for its Electric Division. As shown, the proposed RAAF for the Gas Division is \$0.0022 per therm. The proposed RAAF for the Electric Division is \$0.00015 per kWh.

A typical gas residential heating customer using 150 therms per month in the winter will see an increase of \$0.33 or 0.1% from current rates as a result of this change. A typical electric residential customer using 500 kWh per month will see an increase of \$0.08 or 0.1% from current rates as a result of this change.

The RAAF will be included in the Gas Division's LDAC for billing purposes. On September 16, 2005, Unitil filed its LDAC for effect November 1, 2005. Attached is an updated Form II, Page 1 of 1 including the RAAF.

Sincerely,

Gary Epler

cc: Michael Killion, Esquire, Hearing Officer
Ronald LeComte, Director, Electric Power Division
Kevin Brannelly, Director, Rates and Revenue Requirements
George Yiankos, Director, Gas Division
David McKeehan, President, No. Central MA Chamber of Commerce
D.T.E. 01-106 Service List

Form II

LOCAL DISTRIBUTION ADJUSTMENT FACTOR CALCULATIONS - LDAF

$$\text{LDAF} = \text{EEC} + \text{RAF} + \text{TCF} - \text{BPCF} - \text{ITMC} + \text{UCF} + \text{PAF}^{(1)} + \text{RAAF}^{(3)}$$

All Classes

\$0.0105	EEC	Energy Efficiency Charge: See Schedule I.	(As filed on September 16, 2005 in Form II LDAC)
\$0.0032	RAF	Remediation Adjustment Clause Factor: See Schedule II.	(As filed on September 16, 2005 in Form II LDAC)
\$0.0000	TCF	Transition Cost Factor	(As filed on September 16, 2005 in Form II LDAC)
\$0.0004	BPCF	Balancing Penalty Credit Factor: See Schedule IV.	(As filed on September 16, 2005 in Form II LDAC)
\$0.0128	ITMC	Interruptible Transportation Margin Credit: See Schedule V.	(As filed on September 16, 2005 in Form II LDAC)
\$0.0000	UCF	Unbundling Cost Factor	(As filed on September 16, 2005 in Form II LDAC)
\$0.0228	PAF	Pension/PBOP Adjustment Factor: See Schedule VIII (2)	(As filed on September 16, 2005 in Form II LDAC)
<u>\$0.0022</u>	RAAF	Residential Assistance Adjustment Factor	
\$0.0255	LDAF	Local Distribution Adjustment Factor	

(1) Per FG&E's Pension/PBOP Adjustment Factor Tariff, M.D.T.E. No. 119A, the PAF is included in the LDAF for billing purposes.

(2) Under separate cover letter, FG&E filed on this same day its annual Pension/PBOP Adjustment Factor filing ("PAF"). Data supporting the proposed PAF is included therein.

(3) Per FG&E's proposed Residential Assistance Adjustment Factor Tariff, M.D.T.E. No.120, the RAAF is included in the LDAF for billing purposes.

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY**RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE****SCHEDULE RAAC****1.01 Purpose**

The purpose of the Residential Assistance Adjustment Clause (“RAAC”) is to provide Fitchburg Gas and Electric Light Company (the “Company”) a mechanism for the recovery of lost revenue, on an annual basis and subject to the jurisdiction of the Department of Telecommunications and Energy (the “Department”), based on the increase of residential assistance customers enrolled in the Company’s discounted rates (Rate R-2 and Rate R-4) as a result of a computer matching program with the Massachusetts Executive Office of Health and Human Services, as described in the Department’s D.T.E. 01-106 order, as well as through traditional outreach programs. On and after July 1, 2005, any amount of low-income discount in excess of the Baseline Revenue, as defined below, will be eligible for recovery through the RAAC.

1.02 Applicability

The RAAC shall be applicable to all Firm Customers unless otherwise designated. For billing purposes, the RAAC shall be included in the Local Distribution Adjustment Clause (“LDAC”).

1.03 Effective Date of Annual Adjustment Factor

The Residential Assistance Adjustment Factor (“RAAF”) shall be effective on November 1st of each year, unless otherwise ordered by the Department.

1.04 Definitions

The following terms shall be used in this tariff as defined in this section, unless the context requires otherwise.

- (1) “Baseline Revenue” is the difference, on a weather normalized basis, between the base rate revenues that would have been collected from customers receiving the low-income discount for the twelve months ending June 30, 2005, had no low-income discount existed and the actual base rate revenues collected from low-income customers for the twelve months ending June 30, 2005.
- (2) “Distribution Company” or “Company” is Fitchburg Gas and Electric Light Company.
- (3) “Prior Year” is the twelve-month period immediately prior to the effective date of a proposed RAAF.

1.05 Residential Assistance Adjustment Factor Formula

$$\text{RAAF}_x = [(R_{A_x}) + (C_{\text{ust}_x}(D_{\text{Cust}}\$_x) + U_{\text{se}_x}(D_{\text{Use}}\$_x)) - BR + I_x]/F_{\text{Use}_x}$$

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY**RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE****SCHEDULE RAAC**

RAAF_x =	The annual Residential Assistance Adjustment Factor.
RA_x =	The Reconciliation Adjustment for Year _x shall be the amount of over/under collection from the end of the Prior Year. Reconciliations shall be performed monthly and shall be based on revenue calculations for the actual customers participating in the Company's discounted rates and those customers' actual monthly usage as recorded in the Company's billing data base. Interest shall be calculated on the average monthly balance using the prime rate computed in accordance with 220 C.M.R. § 6.08(2) and added to each end-of-month balance.
Cust_x =	The estimated number of customers participating in the Company's discounted rates (Rate R-2 and Rate R-4).
Use_x =	The estimated therm usage of customers participating in the Company's discounted rates (Rate R-2 and Rate R-4).
DCust\$_x =	The difference between the non-discounted and discounted customer charge for the applicable rates.
DUse\$_x =	The difference between the non-discounted and discounted therm distribution charges for the applicable rates.
BR =	The Baseline Revenue is \$290,060.
I_x =	The estimated interest in the forecast period.
FUse_x =	The estimated therms in the forecast period.

In the event that the Company's total low-income discount in a given year is below the Baseline Revenue, no refund of any Baseline Revenue will be due to ratepayers.

1.06 Information Required to be Filed with the Department

Information pertaining to the RAAC shall be filed with the Department at least forty-five (45) days before the date on which a new RAAF is to be effective, in conjunction with the Company's peak/winter LDAC filings. This information shall be submitted with each annual RAAF filing, along with complete documentation of the reconciliation-adjustment calculations.

1.07 Customer Notification

The Company shall notify customers in simple terms of changes to the RAAF, including the nature of the change and the manner in which the RAAF is applied to the bill. In the absence of a standard format, the Company shall submit this notice for approval at the time of each RAAF filing. Upon approval by the Department, the Company shall immediately distribute these notices to all of its distribution customers either through direct mail or with its bills, or as a bill message.

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY**RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE****SCHEDULE RAAC****1.01 Purpose**

The purpose of the Residential Assistance Adjustment Clause (“RAAC”) is to provide Fitchburg Gas and Electric Light Company (the “Company”) a mechanism for the recovery of lost revenue, on an annual basis and subject to the jurisdiction of the Department of Telecommunications and Energy (the “Department”), based on the increase of residential assistance customers enrolled in the Company’s discounted rate (Rate RD-2) as a result of a computer matching program with the Massachusetts Executive Office of Health and Human Services, as described in the Department’s D.T.E. 01-106 order, as well as through traditional outreach programs. On and after July 1, 2005, any amount of low-income discount in excess of the Baseline Revenue, as defined below, will be eligible for recovery through the RAAC.

1.02 Applicability

The RAAC shall be applicable to all Customers unless otherwise designated. For billing purposes, the RAAC shall be included in the Distribution Charge.

1.03 Effective Date of Annual Adjustment Factor

The Residential Assistance Adjustment Factor (“RAAF”) shall be effective on the first day of each calendar year, unless otherwise ordered by the Department.

1.04 Definitions

The following terms shall be used in this tariff as defined in this section, unless the context requires otherwise.

- (1) “Baseline Revenue” is the difference between the base rate revenues that would have been collected from customers receiving the low-income discount for the twelve months ending June 30, 2005, had no low-income discount existed and the actual base rate revenues collected from low-income customers for the twelve months ending June 30, 2005.
- (2) “Distribution Company” or “Company” is Fitchburg Gas and Electric Light Company.
- (3) “Prior Year” is the twelve-month period immediately prior to the effective date of a proposed RAAF.

1.05 Residential Assistance Adjustment Factor Formula

$$\text{RAAF}_x = [(R_{A_x}) + \text{Cust}_x(D\text{Cust\$}_x) + \text{Use}_x(D\text{Use\$}_x) - BR + I_x]/F\text{Use}_x$$

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY**RESIDENTIAL ASSISTANCE ADJUSTMENT CLAUSE****SCHEDULE RAAC**

RAAF_x =	The annual Residential Assistance Adjustment Factor.
RA_x =	The Reconciliation Adjustment for Year _x shall be the amount of over/under collection from the end of the Prior Year. Reconciliations shall be performed monthly and shall be based on revenue calculations for the actual customers participating in the Company's discounted rate and those customers' actual monthly usage as recorded in the Company's billing data base. Interest shall be calculated on the average monthly balance using the prime rate computed in accordance with 220 C.M.R. § 6.08(2) and added to each end-of-month balance.
Cust_x =	The estimated number of customers participating in the Company's discounted rate (Rate RD-2).
Use_x =	The estimated kWh usage of customers participating in the Company's discounted rate (Rate RD-2).
DCust\$_x =	The difference between the non-discounted and discounted customer charge for the applicable rates.
DUse\$=	The difference between the non-discounted and discounted kWh base distribution charges for the applicable rates.
BR =	The Baseline Revenue is \$366,962.
I_x =	The estimated interest in the forecast period.
FUse_x =	The estimated kWh in the forecast period.

In the event that the Company's total low-income discount in a given year is below the Baseline Revenue, no refund of any Baseline Revenue will be due to ratepayers.

1.06 Information Required to be Filed with the Department

Information pertaining to the RAAC shall be filed with the Department at least thirty (30) days before the date on which a new RAAF is to be effective, in conjunction with the Company's annual transition charge reconciliation filings. This information shall be submitted with each annual RAAF filing, along with complete documentation of the reconciliation-adjustment calculations.

1.07 Customer Notification

The Company shall notify customers in simple terms of changes to the RAAF, including the nature of the change and the manner in which the RAAF is applied to the bill. In the absence of a standard format, the Company shall submit this notice for approval at the time of each RAAF filing. Upon approval by the Department, the Company shall immediately distribute these notices to all of its distribution customers either through direct mail or with its bills, or as a bill message.

Fitchburg Gas and Electric Light Company d/b/a Unitil
Gas Division
Determination of Residential Assistance Adjustment Factor - RAAF
Effective November 2005 - October 2006

1. Beginning Balance: (November 1, 2005)	\$0	Page 3, L. 1
2. Lost Revenue: (November 05 - October 06)	\$49,898	Page 3, L. 16
3. Interest Expense: (November 05 - October 06)	<u>(\$190)</u>	Page 3, L. 23
4. Total	\$49,708	L. 1 + L. 2 + L. 3
5. Total Therms: (November 05 - October 06)	23,056,851	Page 3, L. 17
6. Residential Assistance Adjustment Factor (\$/Therm)	\$0.0022	L. 4 / L. 5

Fitchburg Gas and Electric Light Company d/b/a Unitil
Gas Division
Residential Assistance Adjustment Factor Worksheet
Lost Revenue Recovery Schedule

	Act <u>Jul-05</u>	Act <u>Aug-05</u>	Act <u>Sep-05</u>	Est. <u>Oct-05</u>	Total <u>July-05 to Oct-05</u>
1 Beginning Balance	\$0	\$0	\$0	\$0	
2 R2 Customers	263	264	224	297	1,048
3 Customer Charge Difference (\$/Cust) (1)	\$3.40	\$3.40	\$3.40	\$3.40	
4 Lost Revenue	\$894	\$898	\$762	\$1,010	\$3,563
5 R2 Usage (Therms)	4,764	3,625	3,404	6,528	18,320
6 Distribution Charge Difference (\$/Therm) (2)	\$0.1916	\$0.1916	\$0.1916	\$0.1916	
7 Lost Revenue	\$913	\$694	\$632	\$1,251	\$3,510
8 R4 Customers	1,430	1,392	1,215	1,525	5,362
9 Customer Charge Difference (\$/Cust) (3)	\$3.40	\$3.40	\$3.40	\$3.40	
10 Lost Revenue	\$4,862	\$4,733	\$4,131	\$5,185	\$18,911
11 R4 Usage (Therms)	32,926	23,972	23,809	66,058	146,766
12 Distribution Charge Difference (\$/Therm) (4)	\$0.1568	\$0.1568	\$0.1568	\$0.1568	
13 Lost Revenue	\$5,163	\$3,759	\$3,733	\$10,358	\$23,013
14 Total Lost Revenue (L. 4 + L. 7 + L. 10 + L. 13)	\$11,832	\$10,084	\$9,278	\$17,804	\$48,997
15 Less Baseline Revenue (5)	\$11,792	\$10,555	\$11,173	\$16,339	\$49,862
16 Lost Revenue for Recovery (6)	\$0	\$0	\$0	\$0	\$0
17 FS and FT (Therms)	720,945	552,273	538,795	1,080,467	2,892,479
18 Residential Assistance Adjustment Factor	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0
19 RAAF Revenue	\$0	\$0	\$0	\$0	\$0
20 Ending Balance - excl. interest (L. 1 + L. 16 - L. 19)	\$0	\$0	\$0	\$0	\$0
21 Average Monthly Balance (L. 1 + L. 20)/2	\$0	\$0	\$0	\$0	\$0
22 Interest Rate	6.25%	6.44%	6.59%	6.75%	
23 Computed Interest	\$0	\$0	\$0	\$0	\$0
24 Ending Balance (L. 20 + L. 23)	\$0	\$0	\$0	\$0	\$0

(1) R1 Customer Charge \$8.50 - R2 Customer Charge \$5.10 = \$3.40.

(2) R1 Distribution Charge \$0.4790 - R2 Distribution Charge \$0.2874 = \$0.1916.

(3) R2 Customer Charge \$8.50 - R4 Customer Charge \$5.10 = \$3.40.

(4) R2 Distribution Charge \$0.3921 - R4 Distribution Charge \$0.2353 = \$0.1568.

(5) See page 4.

(6) Lost Revenue for Recovery \$0 since Total Lost Revenue was less than Baseline Revenue for period.

Fitchburg Gas and Electric Light Company d/b/a Unitil
Gas Division
Residential Assistance Adjustment Factor Worksheet
Lost Revenue Recovery Schedule

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										Total
	Est.	Nov-05 to Oct-06								
	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Oct-06
1 Beginning Balance	\$0	(\$136)	(\$1,082)	(\$3,438)	(\$3,790)	(\$4,730)	(\$4,914)	(\$4,988)	(\$4,595)	(\$2,119)
2 R2 Customers	292	320	257	330	336	310	303	316	312	313
3 Customer Charge Difference (\$/Cust) (1)	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	3,708
4 Lost Revenue	\$993	\$1,088	\$874	\$1,122	\$1,142	\$1,054	\$1,030	\$1,074	\$1,061	\$12,607
5 R2 Usage (Therms)	7,676	10,511	16,318	14,926	14,136	12,849	8,887	7,589	6,808	5,938
6 Distribution Charge Difference (\$/Therm) (2)	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	119,894
7 Lost Revenue	\$1,471	\$2,014	\$2,126	\$2,360	\$2,709	\$2,462	\$1,703	\$1,454	\$1,304	\$1,495
8 R4 Customers	1,492	1,544	1,572	1,592	1,655	1,634	1,701	1,644	1,648	1,641
9 Customer Charge Difference (\$/Cust) (3)	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40
10 Lost Revenue	\$5,073	\$5,250	\$5,345	\$5,413	\$5,627	\$5,556	\$5,783	\$5,590	\$5,770	\$5,579
11 R4 Usage (Therms)	103,461	173,689	272,187	261,136	215,555	159,770	88,678	56,559	41,102	33,879
12 Distribution Charge Difference (\$/Therm) (4)	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	1,519,574
13 Lost Revenue	\$16,223	\$27,234	\$42,679	\$40,946	\$33,799	\$25,052	\$13,905	\$8,866	\$6,445	\$0.1568
14 Total Lost Revenue (L.4 + L.7 + L.10 + L.13)	\$23,759	\$35,586	\$52,024	\$50,341	\$43,277	\$34,123	\$22,445	\$16,942	\$14,594	\$13,114
15 Less Baseline Revenue (5)	\$20,282	\$30,287	\$45,747	\$42,664	\$37,346	\$29,603	\$19,687	\$14,602	\$11,795	\$10,555
16 Lost Revenue for Recovery	\$3,477	\$5,319	\$6,277	\$7,677	\$5,931	\$4,520	\$2,758	\$2,340	\$2,798	\$2,559
17 FS and FT (Therms)	1,680,259	2,911,904	4,009,535	3,725,872	3,184,337	2,175,377	1,304,237	893,470	710,761	611,498
18 Residential Assistance Adjustment Factor	\$0.0022	\$0.0022	\$0.0022	\$0.0022	\$0.0022	\$0.0022	\$0.0022	\$0.0022	\$0.0022	23,056,851
19 RAAF Revenue	\$3,613	\$6,261	\$8,621	\$8,011	\$6,846	\$4,677	\$2,804	\$1,921	\$1,315	\$1,562
20 Ending Balance - excl. interest (L.1 + L.16 - L.19)	(\$136)	(\$1,078)	(\$3,425)	(\$3,772)	(\$4,705)	(\$4,887)	(\$4,960)	(\$4,569)	(\$3,325)	(\$831)
21 Average Monthly Balance (L.1 + L.20)/2	(\$568)	(\$807)	(\$2,253)	(\$3,605)	(\$4,248)	(\$4,808)	(\$4,937)	(\$4,778)	(\$3,960)	(\$2,726)
22 Interest Rate	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%
23 Computed Interest	(\$9)	(\$3)	(\$13)	(\$19)	(\$24)	(\$27)	(\$28)	(\$27)	(\$16)	(\$8)
24 Ending Balance (L.20 + L.23)	(\$136)	(\$1,082)	(\$3,438)	(\$3,790)	(\$4,730)	(\$4,914)	(\$4,988)	(\$4,595)	(\$2,119)	(\$190)

(1) R1 Customer Charge \$8.50 - R2 Customer Charge \$5.10 = \$3.40.

(2) R1 Distribution Charge \$0.4790 - R2 Distribution Charge \$0.2874 = \$0.1916.

(3) R3 Customer Charge \$8.50 - R4 Customer Charge \$5.10 = \$3.40.

(4) R3 Distribution Charge \$0.3921 - R4 Distribution Charge \$0.2333 = \$0.1568.

(5) See page 4.

Fitchburg Gas and Electric Light Company d/b/a Unitil
 Gas Division
 Baseline Revenue

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	<u>Act</u>	<u>Act</u>	<u>Act</u>	Total											
	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Act</u>	<u>Act</u>	<u>July-04 to Jun-05</u>
1 R2 Customers	269	264	255	272	260	261	280	288	294	271	273	267	3,254		
2 R2 Weather Normalized Therms	4,632	3,900	4,353	5,511	6,055	8,379	13,567	12,216	11,774	10,668	7,320	5,868	94,442		
3 Rate Discount - Customer Charge	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40		
4 Rate Discount - Distribution Charge	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916	\$0.1916		
5 R2 Baseline Lost Revenue (L.1 * L.3 + L.2 * L.4)	\$1,645	\$1,701	\$1,981		\$2,044	\$2,531	\$3,551	\$3,320	\$3,256	\$2,965	\$2,331	\$2,032	\$29,159		
6 R4 Customers	1,403	1,376	1,318	1,479	1,324	1,289	1,357	1,384	1,418	1,396	1,476	1,492	16,712		
7 R4 Weather Normalized Therms	33,311	26,985	31,826	59,503	87,606	148,939	239,679	220,908	186,665	139,615	78,685	47,813	1,301,535		
8 Rate Discount - Customer Charge	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40	\$3.40		
9 Rate Discount - Distribution Charge	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568	\$0.1568		
10 R4 Baseline Lost Revenue (L.6 * L.8 + L.7 * L.9)	\$9,993	\$8,910	\$9,472	\$14,359	\$18,238	\$27,736	\$42,195	\$39,344	\$34,090	\$26,638	\$17,556	\$12,570	\$260,901		
11 Total Baseline Revenue (L.5 + L.10)	\$11,795	\$10,555	\$11,173	\$16,339	\$20,282	\$30,267	\$45,747	\$42,664	\$37,346	\$29,603	\$19,687	\$14,602	\$290,060		

Fitchburg Gas and Electric Light Company d/b/a Unitil
Electric Division
Determination of Residential Assistance Adjustment Factor (RAAF)
Effective January 2006 - December 2006

Page 1 of 4

- | | | |
|------------------------------------------------------|--------------|------------------|
| 1. Beginning Balance (January 1, 2006) | \$18,700 | Page 3, L. 20 |
| 2. Lost Revenue (Jan 2006 - Dec 2006) | \$61,081 | Page 3, L. 11 |
| 3. Computed Interest - (Jan 2006 - Dec 2006) | <u>\$459</u> | Page 3, L. 26 |
| 4. Lost Revenue | \$80,239 | L. 1 + L.2 + L.3 |
| 5. Total kWh: (Jan 2006 - Dec 2006) | 526,705,931 | Page 3, L. 13 |
| 6. Residential Assistance Adjustment Factor (\$/kWh) | \$0.00015 | L. 4/L.5 |

Fitchburg Gas and Electric Light Company d/b/a Unitil
 Electric Division
 Residential Assistance Adjustment Factor Worksheet
 Lost Revenue Recovery Schedule

Page 2 of 4

	Jul-05 Actual	Aug-05 Actual	Sep-05 Actual	Oct-05 Estimated	Nov-05 Estimated	Dec-05 Estimated	Total
1 R2 Customers	2,369	2,386	2,075	2,588	2,528	2,651	14,597
2 Customer Charge Difference (\$/Cust) (1)	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	
3 Lost Revenue	\$2,724	\$2,744	\$2,386	\$2,976	\$2,907	\$3,049	\$16,787
4							
5 R2 Usage (kWh)	1,260,407	1,305,710	1,058,029	1,123,693	1,114,646	1,317,300	7,179,785
6 Distribution Charge Difference (\$/kWh) (2)	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	
7 Lost Revenue	\$31,006	\$32,120	\$26,028	\$27,643	\$27,420	\$32,406	\$176,623
8							
9 Total Lost Revenue (L.3 + L.7)	\$33,720	\$34,864	\$28,414	\$30,619	\$30,327	\$35,454	\$193,409
10 Less Baseline Revenue (3)	\$29,507	\$30,892	\$29,715	\$27,731	\$26,873	\$30,923	\$173,001
11 Lost Revenue for Recovery	\$4,223	\$3,982	(\$1,301)	\$2,888	\$3,455	\$5,161	\$18,408
12							
13 kWh Deliveries	46,411,633	48,265,621	48,053,206	40,413,809	39,066,181	43,284,087	265,494,536
14 Residential Assistance Adjustment Factor (RAAF)	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	\$0.00000	
15 RAAF Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16							
17 Over/Under Recovery per Month (L.11 - L.15)	\$4,223	\$3,982	(\$1,301)	\$2,888	\$3,455	\$5,161	
18							
19 CUMULATIVE OVER/UNDER RECOVERY							
20 Beginning Balance	\$0	\$4,234	\$8,251	\$6,991	\$9,927	\$13,447	
21 Recovery - Month	\$4,223	\$3,982	(\$1,301)	\$2,888	\$3,455	\$5,161	
22 Ending Balance Before Interest	\$4,223	\$8,217	\$6,950	\$9,879	\$13,382	\$18,608	
23 Average Monthly Balance	\$2,112	\$6,226	\$7,600	\$8,435	\$11,655	\$16,027	
24 Interest Rate	6.25%	6.44%	6.59%	6.75%	6.75%	6.75%	
25 Number of Days / Month	31	31	30	31	30	31	184
26 Computed Interest	\$11	\$34	\$41	\$48	\$65	\$92	\$291
27							
28 Ending Balance with Interest	\$4,234	\$8,251	\$6,991	\$9,927	\$13,447	\$18,700	

(1) R1 Customer Charge \$3.02 - R2 Customer Charge \$1.87 = \$1.15.

(2) R1 Distribution Charge \$0.0417 - R2 Distribution Charge \$0.0171 = \$0.0246.

(3) See page 4.

Fitchburg Gas and Electric Light Company d/b/a Unitil
 Electric Division
 Residential Assistance Adjustment Factor Worksheet

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	Jan-06 Estimated	Feb-06 Estimated	Mar-06 Estimated	Apr-06 Estimated	May-06 Estimated	Jun-06 Estimated	Jul-06 Estimated	Aug-06 Estimated	Sep-06 Estimated	Oct-06 Estimated	Nov-06 Estimated	Dec-06 Estimated	Total
1 R2 Customers	\$2,688	2,714	2,783	2,690	2,751	2,686	2,773	2,731	2,701	2,729	2,669	2,792	32,707
2 Customer Charge Difference (\$/Cust) (1)	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	
3 Lost Revenue	\$3,091	\$3,121	\$3,200	\$3,094	\$3,164	\$3,089	\$3,189	\$3,141	\$3,106	\$3,138	\$3,069	\$3,211	\$37,613
4													
5 R2 Usage (kWh)	1,655,073	1,514,860	1,361,955	1,242,309	1,075,193	1,102,749	1,172,440	1,427,447	1,311,726	1,236,083	1,179,246	1,389,955	15,871,115
6 Distribution Charge Difference (\$/kWh) (2)	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$0,02460	\$390,429
7 Lost Revenue	\$40,715	\$37,266	\$33,554	\$30,561	\$26,450	\$27,128	\$33,762	\$35,115	\$32,268	\$30,408	\$29,009	\$34,194	
8													
9 Total Lost Revenue (L.3 + L.7)	\$43,806	\$40,387	\$36,755	\$33,654	\$29,613	\$30,217	\$36,951	\$38,256	\$35,375	\$33,546	\$32,079	\$37,405	\$428,042
10 Less Baseline Revenue (3)	\$38,527	\$35,235	\$33,826	\$29,329	\$26,387	\$28,657	\$29,507	\$29,882	\$29,715	\$27,731	\$26,873	\$30,293	\$366,922
11 Lost Revenue for Recovery	\$5,279	\$5,152	\$2,929	\$4,325	\$3,226	\$1,539	\$7,444	\$7,374	\$3,660	\$3,815	\$2,205	\$7,112	\$61,081
12													
13 Estimated kWh	47,282,139	45,482,253	44,435,555	43,595,792	40,175,121	42,696,831	44,893,893	47,151,455	45,923,023	41,170,124	39,823,842	44,074,904	\$26,705,931
14 Residential Assistance Adjustment Factor (RAAF)	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	\$0,00015	
15 RAAF Recovery	\$7,092	\$6,822	\$6,665	\$6,539	\$6,026	\$6,405	\$6,734	\$7,073	\$6,886	\$6,176	\$5,974	\$6,611	\$79,006
16													
17 Over/Under Recovery per Month (L.11 - L.15)	(\$1,813)	(\$1,671)	(\$3,736)	(\$2,214)	(\$2,800)	(\$4,845)	(\$710)	(\$301)	(\$1,229)	(\$361)	(\$767)	\$500	
18													
19 CUMULATIVE OVER/UNDER RECOVERY	\$18,700	\$16,988	\$15,401	\$11,742	\$9,588	\$6,835	\$2,014	\$2,737	\$3,055	\$1,840	\$1,489	\$727	
20 Beginning Balance	(\$1,813)	(\$1,671)	(\$2,736)	(\$2,214)	(\$2,800)	(\$4,845)	(\$710)	(\$301)	(\$1,229)	(\$361)	(\$767)	\$500	
21 Recovery - Month	\$16,896	\$15,318	\$11,665	\$9,529	\$6,788	\$1,989	\$2,724	\$1,826	\$1,038	\$1,479	\$721	\$1,228	
22 Ending Balance Before Interest	\$17,793	\$16,153	\$13,533	\$10,636	\$8,188	\$4,412	\$2,369	\$2,388	\$2,440	\$1,659	\$1,105	\$977	
23 Average Monthly Balance	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	6.75%	
24 Interest Rate	.31	.28	.31	.30	.31	.31	.30	.31	.31	.31	.30	.31	.365
25 Number of Days / Month													
26 Computed Interest	\$102	\$84	\$78	\$59	\$47	\$24	\$14	\$17	\$14	\$10	\$6	\$6	\$459
27													
28 Ending Balance with Interest	\$16,988	\$15,401	\$11,742	\$9,588	\$6,835	\$2,014	\$2,737	\$3,055	\$1,840	\$1,489	\$727	\$1,233	

(1) RI Customer Charge \$3.02 - R2 Customer Charge \$1.87 = \$1.15.

(2) RI Distribution Charge \$0.0417 - R2 Distribution Charge \$0.0171 = \$0.0246.

(3) See page 4.

Fitchburg Gas and Electric Light Company d/b/a Unitil
 Electric Division
 Baseline Revenue

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	<u>Act</u>	Total													
	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	<u>Nov-04</u>	<u>Dec-04</u>	<u>Jan-05</u>	<u>Feb-05</u>	<u>Mar-05</u>	<u>Apr-05</u>	<u>May-05</u>	<u>Jun-05</u>	<u>Jun-05</u>	<u>July-04 to Jun-05</u>	
1 R2 Customers	2,390	2,335	2,293	2,480	2,289	2,270	2,398	2,454	2,451	2,363	2,431	2,442	28,596		
2 R2 kWh	1,087,749	1,146,215	1,100,727	1,011,343	985,379	1,125,306	1,454,040	1,317,956	1,260,449	1,081,764	958,996	1,050,772	13,580,336		
3 Rate Discount - Customer Charge	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15		
4 Rate Discount - Distribution Charge (\$/kWh)	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460	\$0.02460		
5 R2 Baseline Revenue (L.1 * L.3 + L.2 * L.4)	\$29,507	\$29,715	\$30,882	\$29,731	\$30,293	\$26,973	\$35,235	\$38,527	\$33,826	\$29,329	\$26,387	\$28,657	\$266,962		